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Approved For Release 2003/08/05 : CIA-RDP78B04747A002200030021-2

#

NPIC/TDS/D-1097-67
25 October 1967

MEMORANDUM FOR: Chief, Procurement Division, OL

THROUGH : Chief, Support Staff, NPIC

SUBJECT :

[REDACTED]

25X1

1. The subject contract is for the design, development and fabrication of a Wide-Field, High-Power Stereoviewer, which is essentially a light table for the [REDACTED] Versatile Stereoviewer.

2. A preliminary inspection was made at the Contractor's facility in July 1967 and the Contractor was subsequently authorized to ship the instrument to NPIC. After an extensive test and evaluation period within simulated operating conditions at NPIC, certain deficiencies were uncovered: some within the scope of the contract and others not within its scope.

3. These deficiencies were discussed with the Contractor at a meeting at his facility on 14 September 1967 and, although he thought that the problems could be rectified, he would not quote on this overrun/change-in-scope until the instrument was returned to his facility and he could inspect the problems. The instrument was returned and the Contractor has calculated the cost to correct the deficiencies.

4. In verbal conversations between the technical monitor and [REDACTED] [REDACTED], it was learned that approximately [REDACTED] is required to correct the deficiencies outlined in the September meeting. Specifically, [REDACTED] is required on an overrun basis (the Contractor has completely expended the authorized funding) and [REDACTED] is required for a change-in-scope. Because of the extreme high cost of these estimates in relation to the technical solutions required, it is recommended that this overrun/change-in-scope not be approved. Although the last two Contract Inspection Reports indicate that no work has been authorized after the return of the equipment, it is recommended that the Contractor be formally instructed to stop any and all mechanical design or fabrication effort on this contract. [REDACTED] should be instructed to return the instrument to NPIC through normal contractual channels and to estimate the overrun cost involved to complete the drawings that are required as a deliverable item under the contract.

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DECLASS REVIEW by NIMA/DOD

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GROUP 1
Excluded from automatic
downgrading and
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SUBJECT: [REDACTED]

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5. Additionally, the technical monitor has been made aware that a (approximately [REDACTED] overrun presently exists under this contract. The estimate to complete the drawings should include any such costs that the Contractor intends to claim. They should be required to justify and document these overrun costs.

25X1

[REDACTED]
Colonel, USAF

Assistant for Technical Development, NPIC

25X1

Distribution:

- Orig & 1 - Addressee
- 1 - NPIC/SS/
- 1 - NPIC/A/TD
- 1 - NPIC/TD/DS
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NPIC/TDS/DS: [REDACTED] (25 Oct 67)

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